


COUNTY OF YORK

MEMORANDUM

DATE: July 21, 2005 (BOS Mtg. 8/2/05)

TO: York County Board of Supervisors

FROM: James O. McReynolds, County Administrator 

SUBJECT: Virginia Public School Authority – Return of Savings

In 1989, 1990, and 1993, the County issued General Obligation School Bonds through the Virginia Public School Authority (VPSA) to finance various school capital projects. Throughout the years, VPSA has consolidated various bond issues and has recently refinanced several old bond issues, including those in which the County had participated, to take advantage of lower interest rates. Proposed Resolution R05-110 references the original VPSA issue dates as well as the dates certain issues were previously refunded or consolidated by VPSA. Staff and bond counsel have reviewed each bond issue that involved the County and determined that we are scheduled to receive the appropriate share of the available savings.

York County will benefit from the VPSA refinancing through a return of savings estimated to be \$192,175. The savings must be returned to the School Capital Fund to partially fund school capital projects budgeted for FY2006.

Before the County can receive the funds, several legal documents must be executed. The documents include a Continuing Disclosure Agreement and a Use of Proceeds Certificate. These documents signify the County's agreement to comply with certain SEC and Internal Revenue Service rules regarding preservation of the tax-exempt status of the bonds. We expect to receive the funds sometime during fiscal year 2006, after each of the 73 localities due a return of savings have passed similar resolutions and executed similar documents.

If adopted proposed Resolution R05-110 will authorize the County Administrator to execute and deliver the required documents to bond counsel and will appropriate the funds for use in the School Capital Fund.

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Attachment

- Proposed Resolution R05-110